

Rate Setting for Hospice Providers Virginia Medicaid

- These rates are to be updated annually as required by statute.
- The hospice wage index methodology and values are based on recommendations of a negotiated rulemaking advisory committee and were originally published in the Federal Register on August 8, 1997.
- The current wage indices are published in the Federal Register / Vol. 67, No. 169/Friday, August 30, 2002/Notices
- The current CMS Transmittal A-02-059 from the regional office dated 7-10-02 guides the calculation:
- Subject: Annual Change in Medicaid Hospice Payment Rates - Action

The formula is: (Wage Component Subject to Index) times (Hospice Wage Index) plus (Unweighted Amount)

Procedure Description: Inpatient Respite Care, Nursing Home Procedure Code Z9434

MSA Description	MSA Field No.	For FY 2003 Wage component Subject to Index	For FY 2003 Hospice Wage Index	For FY 2003 Unweighted Amount	Effective 10/01/2002 For FY 2003 Hospice Rate
Bristol	1	IC	n/a	n/a	IC
Roanoke	2	IC	n/a	n/a	IC
Lynchburg	3	IC	n/a	n/a	IC
North. Va.	4	IC	n/a	n/a	IC
Danville	5	IC	n/a	n/a	IC
Charlottesville	6	IC	n/a	n/a	IC
Richmond	7	IC	n/a	n/a	IC
Norfolk	8	IC	n/a	n/a	IC
Non-MSA	10	IC	n/a	n/a	IC

Procedure code Z9434 must be billed in conjunction with either procedure Z9430 or Z9431.

The hospice will be reimbursed 95% of the Medicaid per diem rate for the nursing facility in addition to reimbursement for either routine or continuous home care.

This is an individually calculated reimbursement rate.